



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/783,775	02/15/2001	John Wankmueller	AP33001-070457.0972	2264
21003 7590 03/05/2009 BAKER BOTTS L.L.P. 30 ROCKEFELLER PLAZA 44TH FLOOR NEW YORK, NY 10112-4498				
EXAMINER				
KESACK, DANIEL				
ART UNIT		PAPER NUMBER		
3691				
NOTIFICATION DATE		DELIVERY MODE		
03/05/2009		ELECTRONIC		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

DLNYDOCKET@BAKERBOTTS.COM

Office Action Summary

Application No.

09/783,775

Applicant(s)

WANKMUELLER, JOHN

Examiner

Daniel Kesack

Art Unit

3691

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 21 November 2008.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-6, 8 and 10 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-6, 8 and 10 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/02)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on November 21, 2008 has been entered.

Status of Claims

2. Claims 1-6, 8, and 10 are currently pending. The rejections are as stated below.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claim 1 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 1 recites "conducting the payment transaction... in a format compliant with a chip card electronic commerce protocol or specification independent of the form of the payment card as a chip card or a non-chip card." It is unclear what limitations this recitation imposes on the claimed method. Claim 1 is directed towards a method, and a proper method claim should describe steps to be performed. The claim recites that the format is compliant with chip card protocol independent of the form of the payment card, as opposed to dependent upon the form of the payment card. The format being dependant upon the form of the payment is a positive recitation. In order to conform to the method step, the format would have to take the form of payment card into consideration in some way. On the contrary, the format being compliant with chip card protocol independent of the form of payment requires inaction, and is, in essence, a negative limitation. In order to conform to this method step, the format would have to be compliant with chip card protocol without considering if the form of payment is a chip card or a non-chip card. The problem with this interpretation is the scope of the limitation that this phrase places on the step of "conducting" cannot be determined.

As a simplified example, if one uses a debit card at a merchant, and the merchant accepts the debit card and uses a chip card protocol to process the credit card (assuming, for the sake of the example that such is known), what would be the difference between the merchant processing the card according to chip card protocol

independent of whether the form of payment is a chip card or a non-chip card and dependant of whether the form of payment is a chip card or a non-chip card? The card is either one or the other, and cannot be both. Therefore the "independence" has no meaning under a single iteration of the receiving and conducting steps, as claimed.

On the other hand, what if one uses a chip card at a merchant, and the merchant accepts the chip card, and uses a chip card protocol to process the chip card. Is the transaction format independent of the form of the payment card as a chip-card or a non-chip card? It is not clear, because the card is, in fact, a chip card, and so clearly one would expect chip card protocol to be used.

As such, the recitation of the limitation represents an abstraction about the alleged merits of the claimed invention, without clearly identifying what steps must be performed in order to comply with the claimed method. One of ordinary skill in the art is unable to determine under what circumstances the claimed invention would be infringed, and therefore the claim is considered indefinite.

Claim Rejections - 35 USC § 103

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

7. Claims 1 and 3 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gray et al., U.S. Patent No. 7,366,703, in view of Applicant's admitted prior art.

Claims 1, 3, Gray discloses a method for conducting a payment transaction over a computer network, wherein the network includes at least three computers connected thereto, a consumer computer, a merchant computer, and a remote wallet server (figure 1), the method comprising:

receiving a request at the remote wallet server from the consumer computer for conducting a payment function with the merchant computer (column 7 lines 7-16);

in response to the request, conducting the payment transaction by the remote wallet server with the merchant computer (column 7 lines 47-50).

Gray fails to teach that the transaction between the wallet server and the merchant computer is in a format compliant with a chip card electronic commerce protocol or specification. Gray fails to define with which type of protocol the transaction is compliant.

According to Applicant's admitted prior art, the EMV '96 Chip Electronic Commerce Specification was known at the time of Applicant's invention. The specification defines a protocol for conducting a transaction between a payment source and a payment receiving system. It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to modify the teachings of Gray to include using a chip card protocol compliant format for conducting the transaction between the wallet and the merchant because security would be an obvious concern when conducting such a transaction, and therefore one of ordinary skill in the art would desire to choose a secure protocol in order to conduct the transaction. It is known that one would desire to use a standardized protocol so as to create a system that can be widely used with any other system supporting the protocol. There are a finite number of known standards in the art for communicating payment or transaction information. It would have been obvious to choose any known standard for conducting such a transaction.

8. Claims 2, 4- 6, 8, and 10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gray et al., U.S. Patent No. 7,366,703, in view of Applicant's admitted prior art, as recited above regarding claims 1 and 3, and further in view of Chen, U.S. Patent No. 5,590,197.

Gray and Applicant's admission fails to teach generating a cryptogram by the remote wallet server, and sending the payment information and the cryptogram to the merchant.

Chen discloses an electronic payment system and method, wherein a wallet server generates a cryptogram based on a shared secret data object between the remote wallet server and the issuer institution, and sends the payment related information and the cryptogram by the remote wallet server to the merchant computer in response to a request for transaction by the consumer (column 5 lines 42-60). Chen further discloses that the system includes a storage unit having the secret data object stored within, and the means for generating the cryptogram, both of which are stored on a tamper resistant security module (column 3 line 65 – column 4 line 13). It would have been obvious to one of ordinary skill in the art at the time of Applicants invention to modify the teachings of Gray to include the cryptogram methods of Chen because both are related to conducting transactions between a wallet and a merchant, and Chen teaches the benefits of the disclosed payment methods, in terms of further protecting the account holder from misuse or fraud (column 1 line 56 - column 2 line 7).

Response to Arguments

9. Applicant's arguments with respect to claims 1-6, 8, and 10 have been considered but are moot in view of the new grounds of rejection.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Daniel Kesack whose telephone number is (571)272-5882. The examiner can normally be reached on M-F, 9:00am-5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on 571-272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Respectfully Submitted,

Daniel Kesack
March 1, 2009
/D. K./
Examiner, Art Unit 3691

/Hani M. Kazimi/
Primary Examiner, Art Unit 3691